



CONGRESS OF THE UNITED STATES

February 24, 2006

The Honorable John Dugan
Comptroller of the Currency
Administrator of National Banks
Washington, DC 20219-0001

Dear John:

I am writing regarding your office's recent rulings allowing banks to develop commercial real estate projects and take an equity stake in windmill farms. I am concerned these decisions may violate the separation of commerce and banking and would appreciate your comment.

Increased commercial operations by financial institutions involve inherent risks to the safety and soundness of the U.S. financial system. The \$100 billion Savings and Loan (S&L) bailout of the 1980's is still memorably fresh for many of my colleagues in Congress and most certainly played into the deliberations during debate and passage of the Gramm-Leach-Bliley Act (P.L. 106-102) in 1999. Simply put, at the very heart of these banking scandals were banks investing in real estate deals and I am concerned whether American taxpayer will once again face this type of risk.

The OCC's recent decisions seem to indicate an effort to increase bank powers. Further, these decisions seem to raise the question as to whether Congress needs to conduct more vigorous oversight of the Office's authorities.

I look forward to your response on this important matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Chris Shays", is written over a rectangular area. Below the signature, the name "Christopher Shays" and title "Member of Congress" are printed.

Christopher Shays
Member of Congress

Congressman
Christopher Shays
Fourth District Connecticut

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